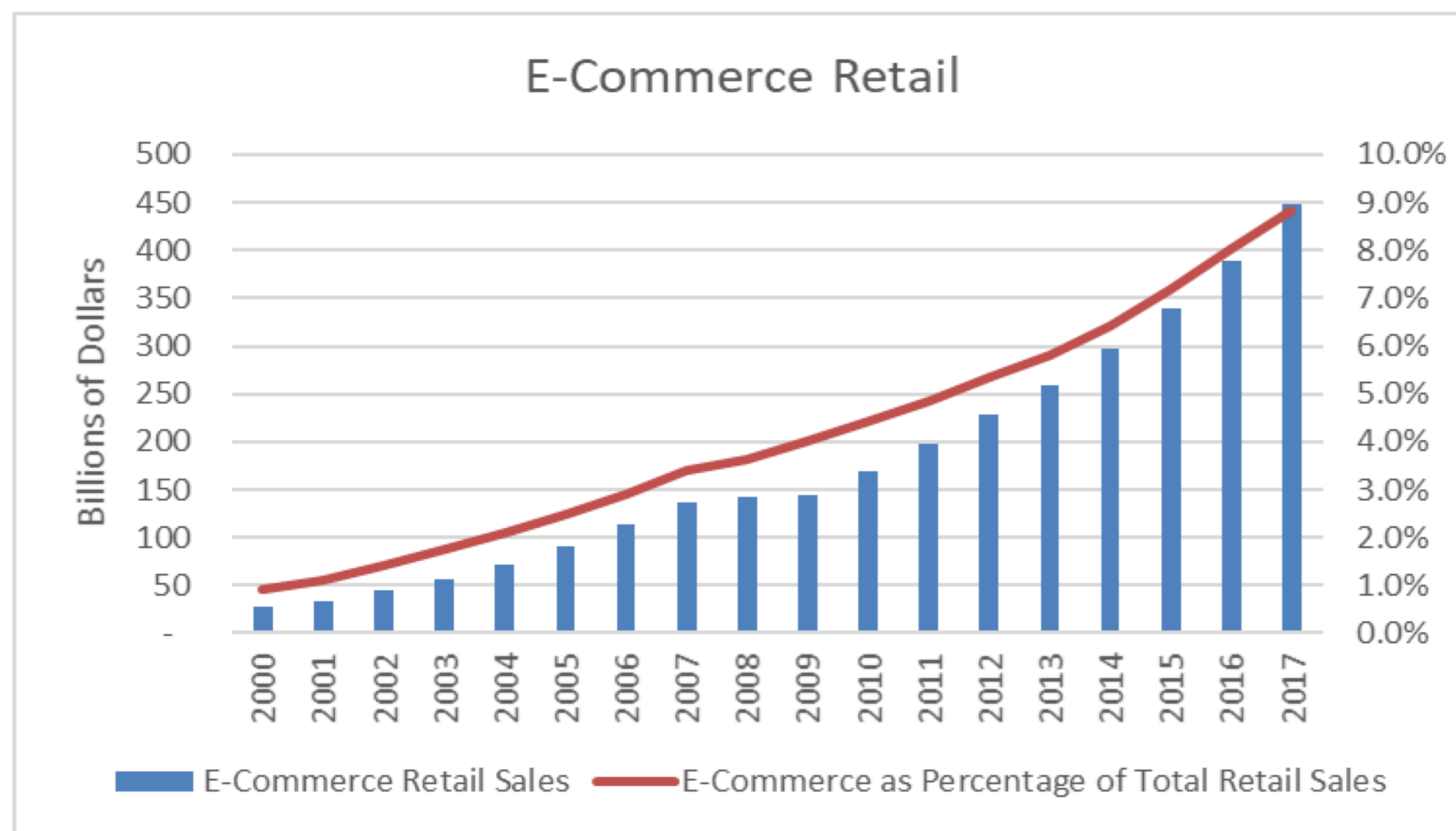


# Incentivizing No-Rush Delivery in Omnichannel Retail

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## Motivation / Background



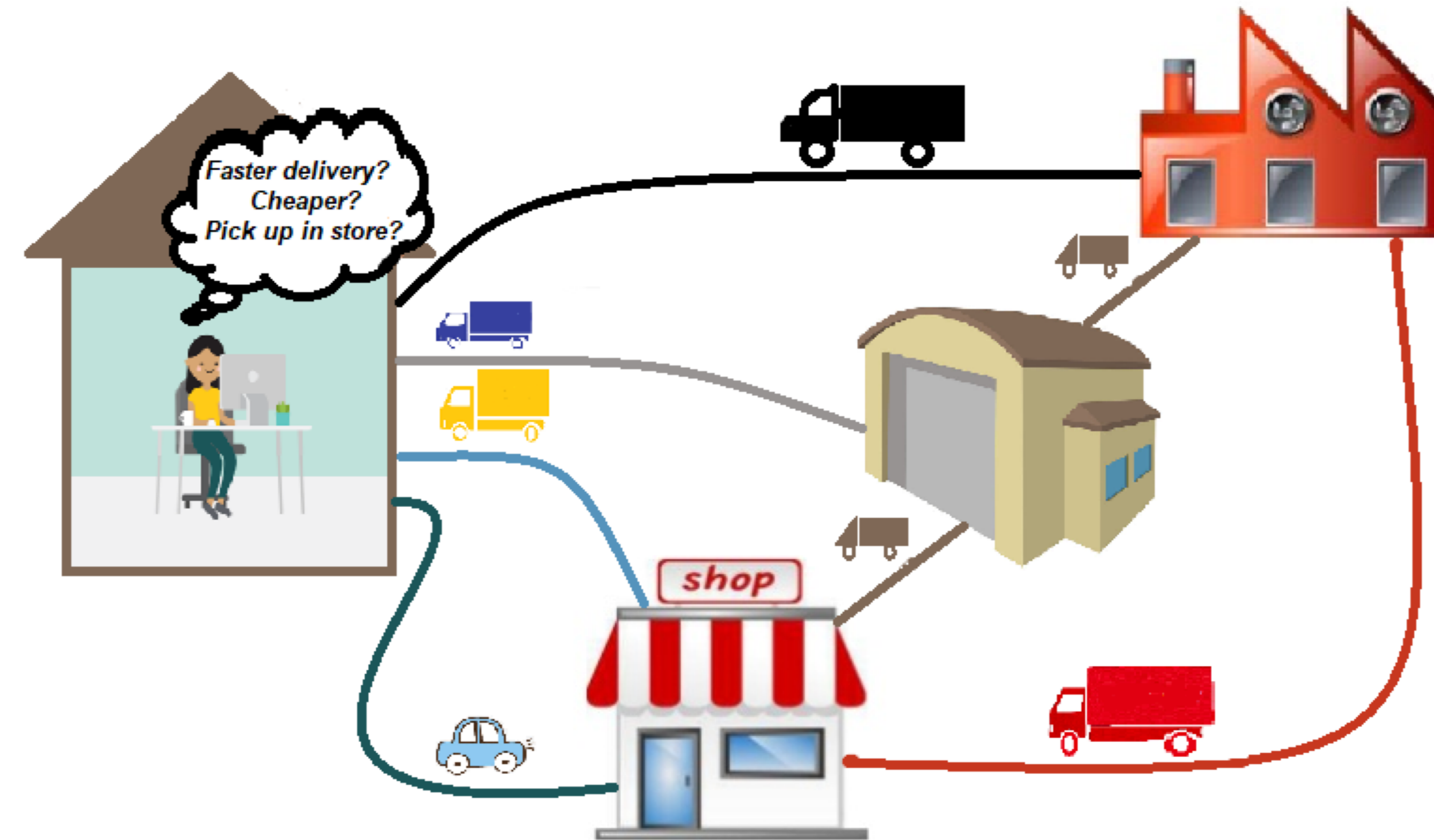
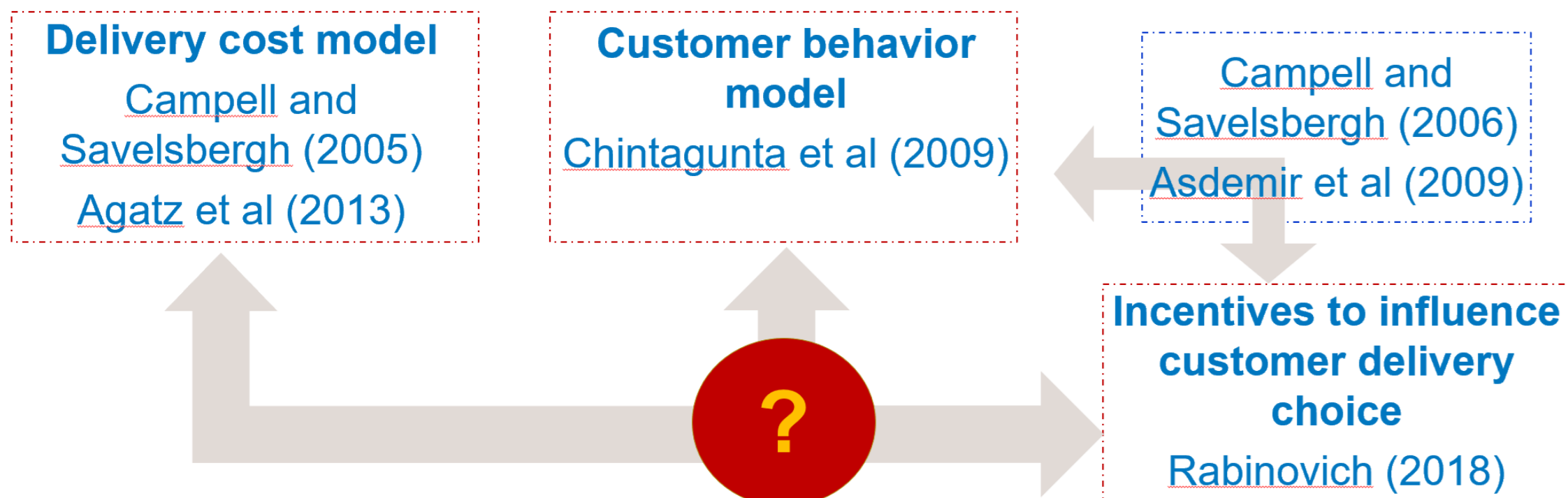
<https://www.census.gov/retail/index.html#ecommerce>



## Key Question / Hypothesis

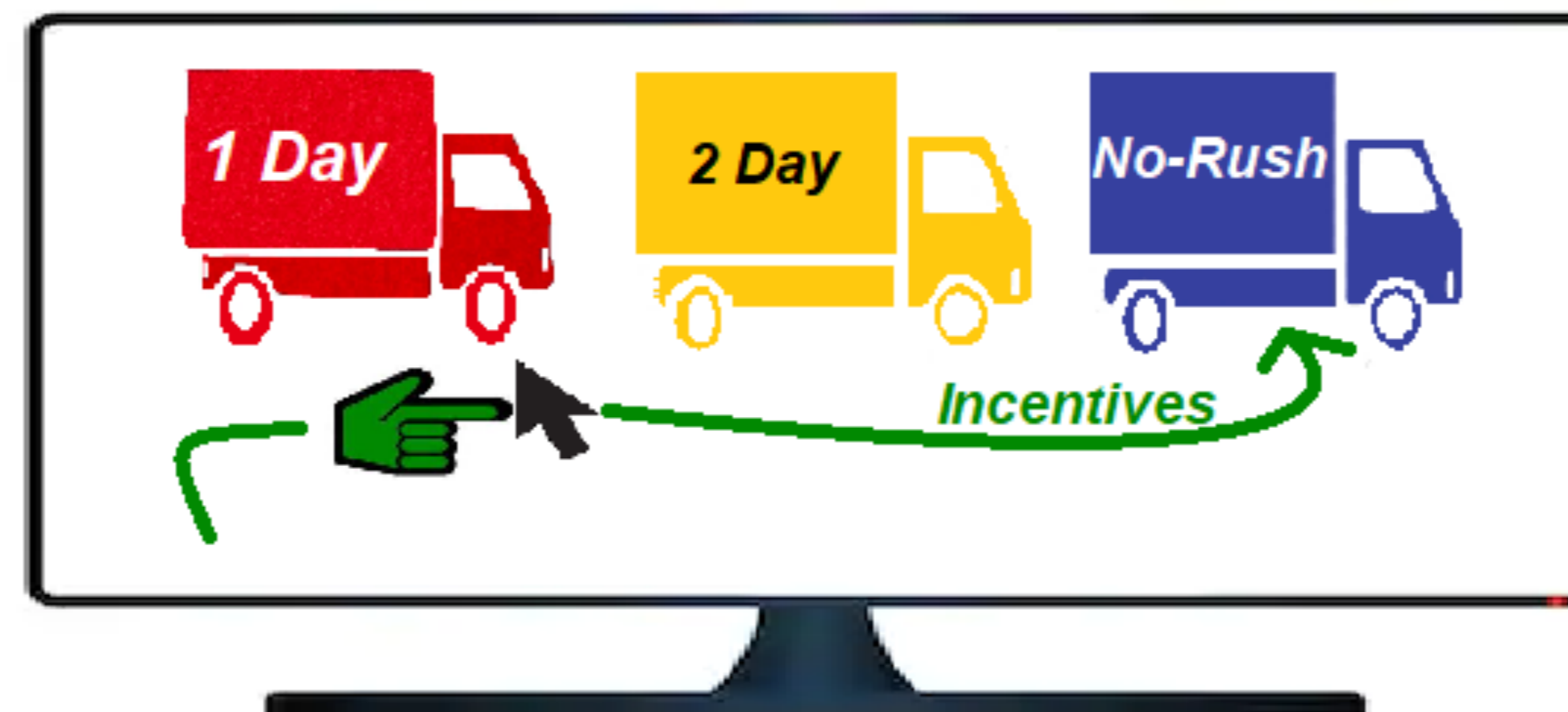
What incentives should omnichannel retailers offer to motivate online customers to choose longer lead time options and minimize total logistics cost?

## Relevant Literature



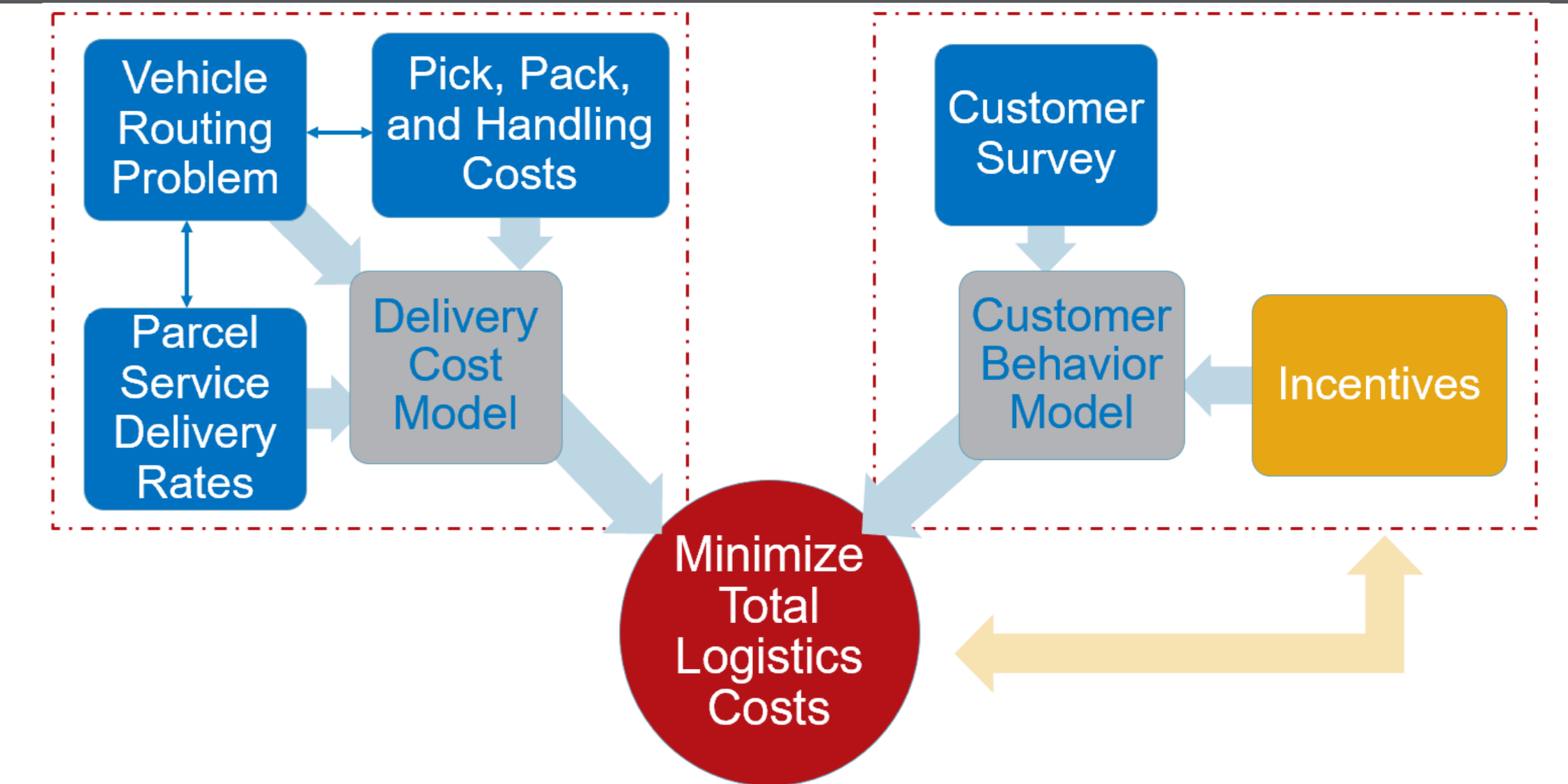
## The Problem

Logistics costs in 2017 represented 7.7% of the US GDP with transportation costs adding up to 64.6% of total logistics costs\*. As online retail continues to grow and demand for shorter delivery lead times increases, transportation costs represent an important opportunity for cost minimization.



\*<http://www.scdigest.com/firstthoughts/18-06-21.php?cid=14356>

## Methodology



## Initial Results



## Expected Contribution

This project will seek to inform the optimal incentives that should be provided in order to minimize delivery costs. The consumer behavior model will give insight into the factors that affect customer decisions. The delivery cost model will break down the contributing logistics costs and show cost saving opportunities for omnichannel retailers.

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